



**Billing Code: 5001-06**

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**(Transmittal Nos. 13-66)**

**36(b)(1) Arms Sales Notification**

**AGENCY:** Department of Defense, Defense Security Cooperation Agency.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittal 13-66 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: December 11, 2013.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY  
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ARLINGTON, VA 22202-5408

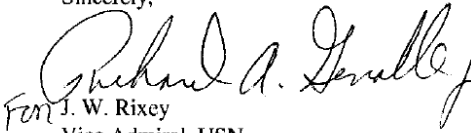
DEC 03 2013

The Honorable John A. Boehner  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 13-66, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the Republic of Korea for defense articles and services estimated to cost \$151 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

  
For J. W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Transmittal No. 13-66

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Republic of Korea

(ii)	<u>Total Estimated Value:</u>	
	Major Defense Equipment	\$ 66 million
	Other	<u>\$ 85 million</u>
	TOTAL	\$151 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

- 14 CH-47D Model Aircraft to include T55-GA-714A Turbine Engines,  
2 per aircraft (14 ac x 2=28 engines)
- 5 T55-GA-714A Turbine Engines to be used as spares
- 16 AN/ARC-220 HF Radios
- 32 AN/ARC-186 VHF AM/FM Radios
- 16 AN/ARN 123 VOR ILS Marker Beacons
- 14 AN/ARN-154(V) Tactical Air Navigation (TACAN) Systems
- 16 AN/ARC-201D or AN/ARC-201E VHF FM Homing Radios
- 16 AN/APN-209D Radar Altimeters
- 16 AN/ASN-43 Gyro-magnetic Compasses

Also included are mission equipment, communication and navigation equipment, ground support equipment, special tools and test equipment, spares, publications, Maintenance Work Orders/Engineering Change Proposals (MWO/ECP), technical support and training.

(iv) Military Department: Army (ZDF)

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: 3 December 2013

\*as defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### Government of The Republic of Korea – CH-47D Aircraft

The Government of The Republic of Korea has requested a possible sale of:

- 14 CH-47D Model Aircraft to include T55-GA-714A Engines, 2 per aircraft  
(14 ac x 2=28 engines)
- 5 T55-GA-714A Turbine to be used as spares.
- 16 AN/ARC-220 HF Radios
- 32 AN/ARC-186 VHF AM/FM Radios
- 16 AN/ARN 123 VOR ILS Marker Beacons
- 14 AN/ARN-154(V) Tactical Air Navigation (TACAN) System
- 16 AN/ARC-201D or AN/ARC-201E VHF FM Homing Radios
- 16 AN/APN-209D Radar Altimeters
- 16 AN/ASN-43 Gyro-magnetic Compasses

Also included are mission equipment, communication and navigation equipment, ground support equipment, special tools and test equipment, spares, publications, Maintenance Work Orders/Engineering Change Proposals (MWO/ECP), technical support and training. The total estimated value for these articles and services is \$151 million.

The CH-47Ds being considered for this sale are currently operated by U.S. Forces Korea (USFK) in the ROK. This proposed sale of CH-47D aircraft equipped with T55-GA-714A engines will be provided from U.S. Army inventory located at Camp Humphrey, South Korea. The T55-GA-714A Engines to be provided as spares will also be provided from U.S. Government inventory.

If this proposed sale is approved, the aircraft will be sold and transferred to the ROK incrementally once USFK begins taking receipt of new-production CH-47F model aircraft, a process currently estimated to begin in the January 2014 timeframe. The U.S. Army will not replace the CH-47D aircraft being proposed for sale and transfer to the ROK. This proposed sale will allow the U.S. Army to avoid transportation and/or demilitarization costs in the amount of approximately \$13.4 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by meeting the legitimate security and defense needs of an ally and partner nation. The ROK continues to be an important force for peace, political stability and economic progress in North East Asia.

The proposed sale will improve the ROK's capability to meet current and future requirements for troop movement, medical evacuation, aircraft recovery, parachute drop, search and rescue, disaster relief, fire-fighting and heavy construction support. The ROK will use this enhanced capability to strengthen its homeland defense, deter regional threats, and improve humanitarian and disaster mobilization and response. These efforts support both ROK and U.S. interests and

objectives, and are consistent with strategic and regional goals. This sale is also consistent with the U.S. strategic interests for stability in the Pacific Command Area of Operations.

The ROK is capable of absorbing and maintaining this additional equipment in its inventory. The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be The Boeing Company in Ridley Park, Pennsylvania. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of 18 U.S. Government or contractor representatives to the ROK to provide support, program management, and training for a period of up to 2 years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

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Annex  
Item No. vii

(vii) Sensitivity of Technology:

1. The CH-47D Model Aircraft includes the following sensitive and/or classified (up to and including Secret) components:

a. The CH-47D is a medium lift aircraft, remanufactured from the CH-47A, B and C aircraft. The CH-47D aircraft, which includes two T55-GA-714A engines, has been identified as Major Defense Equipment (MDE). The avionic system in the CH-47D helicopter consists of the communications equipment providing HF (AN/ARC-220 without ECCM) and VHF AM/FM (AN/ARC-186) communications, VOR ILS Marker Beacon (AN/ARN-123), Tactical Air Navigation (TACAN) System AN/ARN-154(V), VHF FM Homing (AN/ARC-201E) is provided through the FM communication radio.

b. Use of the AN/APN -209D Radar altimeter provides accurate indication of the altitude of the aircraft over all types of terrain, and the AN/ASN-43 Gyro magnetic compass provides heading information to assist with navigation of the aircraft.

c. The command, control and communications equipment needed to operate in a secure communications environment will facilitate the performance of the CH-47D within the Republic of Korea and in combined operations with the U.S., where interoperability is paramount

d. The radios serve to modernize the command and control infrastructure to facilitate interoperability with U.S. forces. Moreover the equipment will provide critical VHF/UHF and SATCOM links necessary for an agile, fast moving force. Integration of the ARC-201 (SINCGARS) FM radios will enhance this interoperability.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures which might reduce weapon system effectiveness or could be used in the development of a system with similar or advanced capabilities.